From: Edgar Patrick Venzon-Landas
To: Microsoft ATR
Date: 1/27/02 1:09am
Subject: MICROSOFT SETTLEMENT.

[Text body exceeds maximum size of message body (8192 bytes). It has been converted to attachment.]

January 26, 2002

Judge Colleen Kollar-Kotelly

United States District Court for the District of Columbia

333 Constitution Avenue, NW

Washington, DC 20001

Re: Proposed Microsoft settlement

Dear Judge Kollar-Kotelly,

In this age of technological innovation, Microsoft's hegemony in the realm of software threatens
the future of computers and software. The danger of settling with Microsoft, thereby allowing the company to
operate in its current form, is that it will stifle not only competition, innovation, and technology, but
also, the emergence of future platforms that run computers, and in the future, computer-based information
services. With its somewhat unchallenged monopoly in the operating system market and its development of .NET
web services, Microsoft, in the absence of any forced structural remedies, has the power and resources to
further any grip it has on the platforms that will run and drive our programs and information.

To illustrate how Microsoft's dominance in operating systems threatens the future, I came up with a simple and
comparable example. For a moment, let us pretend that Microsoft manufactured the door locks to our homes. Door
locks are common, somewhat easy to install, and are a necessity because of the fact it serves as the average
family's protection against burglars and intrusions. Now, let us assume that one day, Microsoft door locks
were installed in your neighborhood. Because of its low price, everyone switched to Microsoft door locks and
those who did not had the choice to stay with their current locks made by Doorlock X. Now, after a few months,
Microsoft sent a letter to your neighborhood detailing an upcoming product launch stating that Microsoft just
created a new door lock that is smaller and easier to install. As a result, almost all of your neighbors
planned to purchase and install the new door locks until they received another notice. Doorlock X, the other
big door lock maker available at the hardware store, rushed to the market with door lock x20, which is just as
light and even stronger than Microsoft's door lock. Therefore, in order to compete with the Doorlock X,
Microsoft priced its door lock products way below market price and started to package a new bolt lock with its
door lock. Doorlock X, to the best of its ability, tried to compete with Microsoft in terms of price, but it
failed. While the company and its door locks have not disappeared completely, Doorlock X's newest lock was

installed in just one house in your neighborhood. After a year, to further stifle competition, Microsoft
created another door lock, which not only required the homeowner to install a new door lock on a brand new
door, but also, required the homeowner to install the bolt lock bundled with the door lock. For most of your
neighbors, they did not mind the upgrade until they found out that after they installed the new door locks,
they could not be removed easily. Not only were they not difficult to remove, Doorlock X could not be
installed in your door in the future. Three months later, Microsoft sent yet another notice asking people to
upgrade their sets of locks and if they were interested in purchasing home security services. Most of the
neighbors, seeing the convenience in not needing to search for another company to provide these services,
signed up with Microsoft to provide their doors, door locks, and home security. Three months later, after yet
another upgrade and solicitation of new services by Microsoft came along, some of the neighbors refused to
upgrade to Microsoft and saw value in Doorlock X's stronger door locks. However, the neighbors were shocked to
find that no matter whom they hired, no one could uninstall the locks on their door. When they called
Microsoft, the customer support people at Microsoft told them that it was possible to rip the lock off the
door, and then and only then can one install a non-Microsoft lock. After being able to install their new door
locks, Microsoft security Services approached your neighbors one day and told them that they could not use
their home security services with their new locks. As a result, the Microsoft people disassembled their home
security services, sloppily and hurriedly. .

After eventually finding new locks and a new home security service provider, your neighbors arrive from work
the next day to find out that the entire neighborhood (including yours) behind a electrified gate and manned
by Microsoft security guards. Of course, when the non-Microsoft people were denied entry through the new gate,
Microsoft told them that they since they do not use their locks nor their security system, they cannot use
this gate into their homes. Instead, they must first travel to the other side of the neighborhood and then
drive behind the fence until they reach their homes from the backyard. Coupled with this inconvenience, the
other neighbors who refused to use Microsoft security services were angry with this and complained again. The
people at Microsoft defended their practices by telling them," We have not done anything illegal. We are
making this neighborhood safer and you are still able to enter your homes."

A couple of months later, one of your neighbors, John Doe, gave a speech at a neighborhood meeting. In his
speech, John Doe told everyone that nowadays, Microsoft Security Services protected most, if not all, of all
the buildings and homes in their town. Because of this, all non-Microsoft customers must now carry different
guest passes-one for Microsoft secured buildings/businesses, one for Microsoft secured homes, and of course,
one for using Microsoft electronic security services. When it could not get any worse, at the end of the
month, your whole neighborhood received yet another notice on your bill from Microsoft

Home Security Services.
It seems that Microsoft's new electronic motion detection and crime prevention services requires homeowners to
not only upgrade your whole home security system, but also, requires every member of your family to identify
him or herself with the Microsoft electronic patch (to distinguish between friend and foe), and non-Microsoft
secured homeowners or guests who need to enter the secured neighborhood must either register with Microsoft
(but not necessarily buy their systems), or risk tripping off the alarms in the neighborhood. Moreover, the
system will auto-upgrade itself automatically and start billing each home electronically every month. Failure
to pay and/or continue Microsoft security services might result in a two or three-day power outage since
Microsoft and your electricity company have struck a deal in wiring your home for Microsoft Home Security. In
the end, you and your neighbors have no other choice but to subscribe to Microsoft and every future security
upgrade.

        Of course, in my allegorical example, the whole progression from the Microsoft door locks to Microsoft
Home Security Services reflects the way Microsoft does business. Mainly, Microsoft sells its products and
bundles similar, competing products to stifle competition, keeps the competition away by making it difficult
for Microsoft customers from switching, requires constant, expensive, and restrictive upgrades that lock the
consumer into the Microsoft "way", and finally, it, as seen in the .NET and its recent foray into different
services, tries to blackmail the consumer by making it almost impossible to escape their services and
products. In short, Microsoft utilizes monopolistic tactics to expand its hold on the various platforms by
simply making it difficult and expensive for others to use other alternatives in the market. Because of these
reasons, as seen in my example, it is important that you, in your capacity as a judge overseeing this monopoly
trial, formally reject the proposed settlement between the Justice Department and Microsoft and impose harsh
punishments (preferably structural) to prevent this situation I narrated from being realized in the
computer/software/service industries.

Thank you.

Sincerely Yours,

Edgar Patrick Landas.

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